CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO, CA 95814-5512



NOTICE OF RECEIPT OF THE EMERGENCY PERMTTING PROPOSAL FOR THE INDIGO ENERGY FACILITY Docket No. 01-EP-2

On March 8, 2001, the Wildflower Energy LP (Wildflower) filed an emergency permitting application for the Indigo Energy Facility (Indigo). Wildflower submitted supplemental application information on March 15. Energy Commission staff has found the supplemented application is complete. The complete application is available in Adobe PDF format on the project website, at www.energy.ca.gov/sitingcases/peakers.

Staff has begun an expedited 'fatal-flaw' analysis of the project. We plan to schedule a hearing in Palm Springs in the next seven to ten days. This hearing is tentatively scheduled for March 23. In order for the project, if approved, to be on line by July 31, the Energy Commission plans to complete the expedited review of this project approximately three weeks from determining the application is complete.

This project is being considered outside of the Energy Commission's normal power plant permitting process. Under Public Resources Code section 25705, if the legislature or the Governor declares a state of energy emergency, the Commission has emergency authority to order the construction and use of generating facilities under terms and conditions it specifies to protect the public interest. This authority can be invoked only if the Legislature or Governor declares a state of emergency and the Commission determines that all reasonable conservation, allocation, and service restriction measures may not alleviate an energy supply emergency. The Governor declared a state of emergency on January 17, 2001. On February 8, the Governor issued several executive orders and declared that all reasonable conservation, allocation, and service restriction measures may not alleviate an energy supply emergency.

In Executive Order D-26-01, the Governor ordered the Energy Commission to expedite the processing of applications for peaking and renewable power plants that can be on line by July 31, 2001. Executive Order D-28-01, issued on March 7, 2001, extended this date to September 30. The Governor also declared that these projects are emergency projects under Public Resources Code section 21080(b)(4), and are thereby exempt from the requirements of the California Environmental Quality Act (CEQA). A summary of the emergency permitting process, including the proposed schedule, and a checklist showing the information required in an application, can be found on the web at http://www.energy.ca.gov/sitingcases/peakers/documents/index.html. A copy of this summary is attached to this notice.

PROJECT DESCRIPTION

The proposed Indigo project is a nominal 135 MW simple-cycle natural gas power plant at the approximately one-half mile northwest fo the Indian Avenue interchange with I-10

located in the City of Palm Springs, in Riverside County. If approved, the facility will connect to the 115 kV transmission line that runs between the Garnet and Devers substations. The proposed project includes a new 24-inch natural gas supply line that will connect to one of the existing 30-inch Southern California Gas Company main 30-inch pipelines south of I-10. The proposed project utilizes Selective Catalytic Reduction (SCR) and CO oxidation catalyst systems to control emissions of oxides of nitrogen (NOx) and carbon monoxide (CO). The propose project will obtain water from the Mission Springs Water District, which has a 12-inch water main that runs along the south side of the project site. Peak water usage is estimated at 240 gallons per minute. The only wastewater discharge from the facility would be storm drainage, which will be routed to an oil-water separator prior to discharge into the local storm drainage system. The proposed project will use aqueous ammonia for the SCR system. The ammonia would be stored in one 10,000-gallon tank with secondary containment.

Wildflower anticipates construction to take approximately. This schedule is dependent on timely completion of the natural gas and transmission interconnections. The peak construction workforce will be approximately 200.

PUBLIC PARTICIPATION

Staff has begun an expedited 'fatal-flaw' analysis of the project. A hearing will be held in Palm Springs approximately seven to ten days after the application is determined to be complete. This hearing, tentatively scheduled for March 23, will provide the public as well as local, state and federal agencies the opportunity to ask questions about, and provide input on, the proposed project. A notice for this hearing will be mailed, but anyone interested in attending is encouraged to check the Energy Commission's Internet page at www.energy.ca.gov/sitingcases/peakers. This web site will include information on the status of the project, copies of notices and other relevant documents, includes instructions for signing up for the project's email list-server. If you have questions or would like additional information on how to participate in the Energy Commission's review of the project, please contact Kevin Kennedy, Siting Project Manager, at (916) 651-8836, or by e-mail at kkennedy@energy.state.ca.us.

If you want information on how you can participate in the Energy Commission's review of the project, please contact Ms. Roberta Mendonca, the Energy Commission's Public Adviser by email at pao@energy.state.ca.us. For information regarding sites in Northern California, call (877) 602-4747, and for sites in Southern California, call (800) 273-4459. If you require special accommodations to attend a workshop, please call Robert Sifuentes at (916) 654-5004, at least five days before a workshop. Technical or project schedule questions should be directed to Kevin Kennedy, Siting Project Manager, in the Energy Facilities Siting and Environmental Protection Division, at (916) (916) 651-8836, or by email at kkennedy@energy.state.ca.us. The status of the project, copies of notices and other relevant documents are also available on the Energy Commission's Internet web page at www.energy.ca.gov/sitingcases/peakers. News media inquiries should be directed to Assistant Executive Director, Claudia Chandler, at (916) 654-4989.

This notice of receipt has been mailed to property owners located adjacent to the project site and any of the project-related facilities. By being on the mailing list, you will receive notices of all project-related activities and notices when documents related to the project's evaluation are available for review. If you want your name removed from the mailing list, or if you did not receive this notice directly and want to be placed on the mailing list, please contact Mary Dyas, Project Secretary, at (916) 651-8891, or by email at mdyas@energy.state.ca.us.

AVAILABILITY OF THE APPLICATION

Copies of the application are available for public inspection at the following library:

Palm Springs Public Library 300 South Sunrise Way Palm Springs, CA 92262

Copies are also available at the Energy Commission's Library in Sacramento, the California State Library in Sacramento, and at public libraries in Los Angeles, San Francisco, San Diego, Fresno, and Eureka. In addition, copies are being distributed to those public agencies that would normally have jurisdiction except for the Energy Commission's exclusive authority to certify sites and related facilities.

| <u> </u> | ROBERT L. THERKELSEN, Deputy Director |
|-------------------------------|---|
| | Energy Facilities Siting and Environmental Protection |
| | |
| Mailed to property owner list | |